

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6382**

**BILL NUMBER:** SB 157

**NOTE PREPARED:** Dec 11, 2012

**BILL AMENDED:**

**SUBJECT:** Confined Feeding Operations and CAFOs.

**FIRST AUTHOR:** Sen. Paul

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that a person may not start: (1) the construction of a concentrated animal feeding operation (CAFO); or (2) an expansion of a CAFO that would increase animal capacity or manure containment capacity, or both; without obtaining the prior approval of the Indiana Department of Environmental Management (IDEM). It provides for financial assurance requirements to be imposed on confined feeding operations and CAFOs through the adoption of administrative rules. The bill also requires the Environmental Rules Board to adopt rules establishing the financial assurance requirements before January 1, 2014.

**Effective Date:** Upon passage; January 1, 2014.

**Explanation of State Expenditures:** Providing that a person may not construct or expand a CAFO without first receiving approval from IDEM will have no impact because this requirement is current practice. Requiring that persons submit financial assurance and requiring the Environmental Rules Board to adopt rules will increase administrative expenses for IDEM. However, IDEM budgets for rule adoption, so IDEM's existing level of resources should be sufficient these tasks.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IDEM.

**Local Agencies Affected:**

**Information Sources:**

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